•	CLASSIFICATION  SECURITY J  CENTRAL INTELLIGENCE AGENCY	บราถงณฑฺเาท REPORT
	INFORMATION REPOI	
COUNTRY	East Germany	50X1-HUI DATE DISTR. October 1953
SUBJECT	Cancelled Building Projects of the Ministry of Mining and Smelting	NO. OF PAGES 2
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- A. A government resolution, which ordered all building projects in heavy industry stopped and all large-investments temporarily postponed or entirely dropped, has led to the following situation in the field of mining and smelting.
  - 1. Eisenhuettenkombinat Stalinstadt (JKS), formerly Misenhuettenkombinat Ost
    - a. This plant has cancelled all building projects included in the 1954 building plan. Among these projects were steelworks, generator plants, a rolling till, a steel-casting foundry, a ter-dolonite plant, rail-road yards and 3 blast furnoces; only blast furnoce No. 5 was allowed to retain on the building plan.
    - b. The rebuilding of the defrosting shed which had burned down in June, however, was a proved. In this leftosting shed the frozen krivoi log ore delivered from lussia during the winter is though before being compiled to the blast furnaces.
    - c. It wesent, EKS is stelling only one that has been extracted from the Harz Louatains, from the rimes in Eadeleben, Jamony anhalt, and from Luchenberg; only a stall quantity of Krivoi og one is arriving from Lussia. It is reported, however, that quantities of one imports from Lussia will be increased.
  - 2. Bickelbuette St. Bridien, Saxony

This plant was to be expanded on a large scale, but construction had not been started and the project was cancelled. There exists only a small research installation with one air furnace. The Dt. Igidien plant was to process the crude nickel imported from assis; the processed nickel was to be part of the reparations deliveries of high-grade steel to Aussia. The cost of expansion of production facilities was estimated as 25 million DME.

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## 3. Eisenwerke West, Calbe

This plant was to be enlarged and farnace group II with ten low-shaft furnaces was to be built: both projects were cancelled. This the news station may be completed. Hinister Fritz Selbmann personally rejected a proposed ore-dressing floor, costing approximately 17 million DEE. The total cost of plant expansion was scheduled to cost approximately 30 million DEE.

4. Parsfeld Bergbeu-Kombinat " ilhelm Pieck"

The erection of the Helbra sintering plant and the mechanization of the minos were ordered stopped. The Helbra plant, which has already been started, is to be continued only as far as is necessary, to insure that project is not camaged by weather. The mechanization of the mines as to be continued until available funds have been spent; no new funds are to be allocated. The cost of the proposed projects was estimated as approximately untillion DME.

5. Stahl- und 'alzwerk Groeditz

The building of a large force, estimated to cost approximately 10 million DNE, has been stopped.

- 6. Expansion of <u>Edelstahlwerk Doehlen</u>, estimated at 10 million DEE, has been cancelled.
- B. The investment program for the entire metallurgical industry, including all subsidiary installations, such as mines, limestone pits, cerent works etc., was scheduled to cost 1.3 milliards AE. It is estimated, that only 100,000 DME have been made available to date.

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